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APEC-NEWS-CURRENCY

MALAYSIA WILL NOT ADJUST ITS CURRENCY, SAYS MAHATHIR

By: Mohd Arshi Daud

KUALA LUMPUR, Nov 15 (Bernama) -- Malaysia, which pegged the ringgit at RM3.80 to the US dollar in September, will not adjust its currency to remain competitive when its neighbours' currencies fluctuate, Prime Minister Datuk Seri Dr Mahathir said.

"We can make better adjustments through higher productivity", he told reporters at the Apec business summit here.

Asked on Apec expanding its membership, the Prime Minister said if Apec's membership kept on expanding, it will end up being another United Nations.

It would have 180 members "and be able to talk and do nothing," he said.

Asked whether the US President Bill Clinton's absence at the Apec leaders' summit would affect trade liberalisation moves in the regional forum, he said:

"Countries which are not keen to liberalise, would (now) have a bigger say (as) the US is seen as the dominant country to push for trade liberalisation."

"We will have to listen to them (countries not keen to liberalise)," he said.

Dr Mahathir also said that he had limited expectation from the Apec leaders' summit.

"All I want to do is to impress upon the delegates that we have a problem, an economic problem," he said.

He also reiterated the importance of regulating currency trading and one of the ways was to help them register and limit the funds borrowed by banks to them.

Dr Mahathir also said he would like to see Taiwanese companies invest in Malaysia's electronics sector.

"We certainly welcome their participation in Malaysia's economy," he said.

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